

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR.

Governor

GARY R. HERBERT Lieutenant Governor

Representativ	es Present During the Inspection:
Company	Gregg Galecki Environmental Coordinator
OGM	Karl Houskeeper Environmental Scientist III

Inspection Report

Permit Number:	C0070005 COMPLETE		
Inspection Type:			
Inspection Date:	Tuesday, August 18, 2009		
Start Date/Time:	8/18/2009 8:00:00 AM		
End Date/Time:	8/18/2009 1:00:00 PM		
Last Inspection:	Wednesday, July 29, 2009		

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: <u>Clear, Temp. 65 Deg. F.</u> InspectionID Report Number: <u>2099</u>

Types of Operations

Accepted by: jhelfric 8/20/2009

Permitee: CANYON FUEL COMPANY LLC
Operator: CANYON FUEL COMPANY LLC

Site: SKYLINE MINE

Address: HC 35 BOX 380, HELPER UT 84526

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

11,064.00	Total Permitted		
84.25	Total Disturbed		
	Phase I		
	Phase II		
	Phase III		

Mineral Ownership

✓ Federal
✓ Underground

✓ State
Surface

County
Loadout

✓ Fee
Processing

Other
Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The following permit conditions have been met or are being met:

- 1) Water Monitoring data is being submitted in an electronic format to the Division.
- 2) Canyon Fuel Co. must submit cumulative monthly flow data for discharges into Electric Lake and Eccles Creek. This condition is being met.

Inspector's Signature:

Harl R. Lauskuper

Date

Tuesday, August 18, 2009

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale	✓		~	
2.	Signs and Markers	✓		✓	
3.	Topsoil	✓			
4.a	Hydrologic Balance: Diversions	✓			
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures	✓			
4.d	Hydrologic Balance: Water Monitoring	✓		✓	
4.e	Hydrologic Balance: Effluent Limitations	✓		✓	
5.	Explosives	✓			
6.	Disposal of Excess Spoil, Fills, Benches	✓			
7.	Coal Mine Waste, Refuse Piles, Impoundments	✓		~	
8.	Noncoal Waste	✓			
9.	Protection of Fish, Wildlife and Related Environmental Issues	V			
10.	Slides and Other Damage	V			
11.	Contemporaneous Reclamation	V			
12.	Backfilling And Grading	✓			
13.	Revegetation	✓			
14.	Subsidence Control	✓			
15.	Cessation of Operations	✓			
16.8	a Roads: Construction, Maintenance, Surfacing	✓			
16.l	Roads: Drainage Controls	✓			
17.	Other Transportation Facilities	✓			
18.	Support Facilities, Utility Installations	✓			
19.	AVS Check	✓			
20.	Air Quality Permit	✓		✓	
21.	Bonding and Insurance				
22.	Other				

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1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit C/007/005 was issued effective 04/30/2007 and expires 04/30/2012.

- -Certificate of Insurance policy number GL093-61-11, issued 07/31/2009 and terminates 07/31/2010.
- -UPDES permit # UT0023540 effective 12/01/2004 and expires @ midnight 11/30/2009.
- -Air Quality permit DAQE-AN0092007-03, issued June 24, 2003.
- -SPCC Plan dated 07/10/08. The Plan is P.E. certified, stamped, signed and dated by a Utah P.E.

2. Signs and Markers

The Mine ID signs are at the point of public access to the permit area and contain the required information. All other signs and markers are in accordance with the coal rules.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The second quarter 2009 pond Inspections were done June 10, 2009, no problems were noted.

4.d Hydrologic Balance: Water Monitoring

Second quarter 2009 water monitoring information is in the EDI website. Water monitoring is current.

4.e Hydrologic Balance: Effluent Limitations

Reviewed the discharge monitoring reports for April, May and June 2009. No parameters were exceeded.

7. Coal Mine Waste, Refuse Piles, Impoundments

The second quarter 2009 refuse pile inspection was done on June 10, 2009 and P.E certified, dated and signed by a Utah P.E. on July 22, 2009

20. Air Quality Permit

The Air Quality Permit Approval Order DAQE-AN0092007-03 was issued on June 24, 2003. The permit remains effective.